

**67-3-3 Disbursements of public funds -- Suspension of disbursements -- Procedure upon suspension.**

The state auditor shall have the power to suspend any disbursement of public funds whenever in his opinion such disbursement is contrary to law, and if the validity of any such disbursement be not established within six months from the date of original suspension then the matter shall be referred to the attorney general for appropriate action and if in his opinion the suspension was justified he shall immediately notify the auditor, who shall forthwith make demand upon the surety of the disbursing or certifying officer, and it shall be mandatory upon the surety immediately to meet the demand and to pay into the state treasury by certified check or legal tender any amount or amounts disbursed and involved in the suspension.

All suspensions shall be in writing and the state auditor shall prepare a form to be known as the notice of suspension. The form shall contain complete information as to the payment suspended, the reason for the suspension and the amount of money involved and any other information that will clearly establish identification of the payment. The original of the suspension notice shall be retained by the state auditor and one copy shall be served upon the disbursing or certifying officer, one copy upon any member of the finance commission, one copy upon the surety of the disbursing or certifying officer, and one copy shall be attached to the document under suspension. Receipts entered upon the original suspension notice held by the state auditor shall be taken from the disbursing or certifying officer, the finance commission and the surety, except that the copy to the surety company may be mailed in which case so doing will constitute legal service.

Immediately upon any suspension becoming final the finance commission shall cause an entry to be made debiting the disbursing or certifying officer with the amount of money involved in any suspension notice and shall credit the account originally charged by the payment. Upon release of final suspension by the state auditor a reversing entry shall be made crediting the disbursing or certifying officer, and like credit shall be given in all recoveries from the surety.

No Change Since 1953